



## *Report to the Auburn City Council*

Action Item

6

Agenda Item No.

City Manager's Approval

**To:** Honorable Mayor and City Council Members  
**From:** Robert Richardson, City Manager  
Andy Heath, Administrative Services Director  
**Date:** July 23, 2012  
**Subject:** Second Reading - CalPERS Contract Amendment Ordinance - 1959  
Survivor Death Benefit Program (Police)

### *The Issue*

Shall the City Council readopt Ordinance No. 12-03 approving an amendment to the Contract between the City of Auburn and CalPERS providing Public Employees' Retirement Law Section 21754 (Fourth Level or 1959 Survivor Death Benefits) for local police members?

### *Conclusions and Recommendations*

Readopt Ordinance No. 12-03 approving an amendment to the contract between the City of Auburn and CalPERS, providing Section 21754 (Fourth Level of Survivor Death Benefits) for local police members.

### *Background*

On September 13, 2010 and on February 14, 2011 the City Council approved Resolution Nos. 10-116 and 11-20, approving memoranda of understanding between the City and the Auburn Police Officers Association and Auburn Police Sergeants Association, respectively. As referenced in both agreements, the City agreed to contract with CalPERS as soon as practicable to provide the Public Employees' Retirement Law Section 21574 Fourth Level of 1959 Survivor Death Benefits for local police members.

As a means to begin the process of implementing the necessary changes to the CalPERS contract, the City Council approved Resolutions No. 12-31 and 12-32 on April 23, 2012, effectuating the intent to amend the City's contract with CalPERS and disclosing the cost of providing the enhanced benefit, respectively. Subsequent to the approval of these resolutions, an election was held during which eligible police officers were given a choice to participate in the enhanced benefit program.

The final step in the contract amendment implementation process is to enact an ordinance codifying the change to the benefit structure. A first reading of the proposed ordinance was conducted on June 11, 2012.

On June 25, 2012, the City approved a second reading of the ordinance effectuating the aforementioned benefit changes to the CalPERS contract. Inconsistent with CalPERS requirements, however, the second and final reading of the ordinance was erroneously placed on the City Council Agenda Consent Calendar. The action recommended herein, coupled with the placement of this item on the agenda for discussion as a non-consent business item, enables the City to move forward with the contract amendment process.

**Alternatives Available to Council; Implications of Alternatives**

1. Readopt the ordinance as recommended by staff.
2. Do not readopt the ordinance and direct staff accordingly. This option may require legal advice regarding the City's obligations under existing MOUs with employee bargaining units.

**Fiscal Impact**

Future annual costs borne by the City are estimated to be \$1,296.00 and will be included with budgetary assumptions beginning in Fiscal Year 2012-13.

Attachments – Ordinance No. 12-03

ORDINANCE NO. 12-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AUBURN,  
CALIFORNIA APPROVING THE AMENDMENT TO THE CONTRACT BETWEEN  
THE CITY OF AUBURN AND CALPERS PROVIDING SECTION 21754 (FOURTH  
LEVEL OF 1959 SURVIVOR DEATH BENEFIT) FOR LOCAL POLICE MEMBERS

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THE CITY COUNCIL OF THE CITY OF AUBURN DOES ORDAIN AS FOLLOWS:

**Section 1. Amendment.** An Amendment to the contract between the City Council of the City of Auburn and the Board of Administration of the California Public Employees' Retirement system is hereby approved. A copy of said Amendment is attached hereto as Exhibit "A" and incorporated by reference herein.

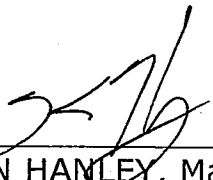
**Section 2. Authority to Execute Amendment.** The Mayor of the City Council for the City of Auburn is hereby authorized, empowered, and directed to execute said Amendment for and on behalf of the City of Auburn.

**Section 3. Severability.** Should any provision of this Ordinance, or its application to any person or circumstance, be determined by a court of competent jurisdiction to be unlawful, unenforceable, or otherwise void, that determination shall have no effect on any other provision of this Ordinance or the application of this Ordinance to any other person or circumstance and, to that end, the provisions hereof are severable.

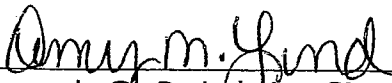
**Section 4. Effective Date.** Pursuant to Section 36937 of the California Government Code, this Ordinance shall take effect 30 days after its passage and adoption.

**Section 5. Certification.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall give notice of its adoption as required by law. Pursuant to Government Code Section 36933, a summary of this Ordinance may be published and posted in lieu of publication and posting of the entire text.

DATED: June 25, 2012

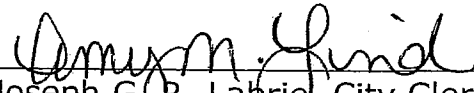
  
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KEVIN HANLEY, Mayor

ATTEST:

  
\_\_\_\_\_  
Joseph G. R. Labrie, City Clerk

I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify that the foregoing ordinance was duly passed at a regular meeting of the City Council of the City of Auburn held on the 25th day of June 2012 by the following vote on roll call:

Ayes: Nesbitt, Holmes, Kirby, Powers, Hanley  
Noes:  
Absent:

  
\_\_\_\_\_  
Joseph G. R. Labrie, City Clerk

**CERTIFIED AS A TRUE COPY**

  
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**DEPUTY CITY CLERK**